

HOUSE BILL 464

By Haynes

AN ACT to clarify the obligation to pay property taxes during an assessment appeal, and to amend Tennessee Code Annotated, Section 67-5-1512.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-1512, is amended by deleting subsection (b) in its entirety and substituting instead the following:

(b) Penalty and interest otherwise due on delinquent property taxes shall not accrue while an appeal of the assessment is pending before the county or state boards of equalization, provided the taxpayer, before the delinquency date, either pays the full tax due or the amount the taxpayer would owe based on the taxpayer's good faith claim for relief. The city or county collecting official may decline to accept the disputed portion of tax. Any tax later found to be refundable, or any additional tax due following the appeal, will accrue interest from the delinquency date at the composite prime rate published by the federal reserve board as of the delinquency date, minus two points. On motion of the city or county to whom the tax is owed, the state board of equalization will dismiss the appeal of any taxpayer who fails to pay delinquent taxes that have accrued on property that is the subject of the appeal, or who fails to pay at least the undisputed tax related to a properly appealed assessment. Taxes related to a properly appealed assessment before the county and state boards of equalization, shall not be deemed delinquent if the taxpayer has paid at least the undisputed portion of tax while the appeal is pending. Delinquency penalty and interest postponed under this section shall begin to accrue thirty (30) days after issuance of the final assessment certificate of the state board of equalization and until the tax is paid.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.